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LB 364

These administrative expenses...administrative expenses, generally, are paid how in these systems?

SENATOR STUHR: I believe they are paid through the forfeiture funds.

SENATOR BEUTLER: Well,...

SENATOR STUHR: And...

SENATOR BEUTLER: ...it says, additional administrative expenses are being paid this way. But administrative expenses generally, that we're paying right now, how...who bears the expense of those?

SENATOR STUHR: I'm sorry. Senator Beutler, could you repeat that again?

SENATOR BEUTLER: The...it says that this new system will be used to pay additional administrative expenses. So apparently, there are already some administrative expenses, which would make sense. And those expenses are paid out of what fund? In other words, who pays them? I'm trying to determine how the funding is shifting here,...

SENATOR STUHR: Right.

SENATOR BEUTLER: ...and who the funding shifts from, or to,...

SENATOR STUHR: Yes.

SENATOR BEUTLER: ...or whether it shifts at all.

SENATOR STUHR: Well, if you remember, several years ago, we shortened the vesting period. So we don't have as many forfeiture funds as we previously had, because of that shortened vesting period. And I can't tell you...I can't recall right off the top of my head, you know, what those years were. But previously, we had a longer vesting period. And so we had more forfeiture funds, which were used for administrative expenses. Then we also changed to the cash balance plan. And so we had a